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June 6, 2017

ADDENDUM NO. 1 TO REQUEST FOR PROPOSALS FOR CONCESSION SERVICES AT COUNTY OPERATED WILL ROGERS STATE BEACH

The County of Los Angeles (County) Department of Beaches and Harbors issues this Addendum No. 1 to the Request for Proposals for Concession Services at County Operated Will Rogers State Beach (RFP), which was released April 23, 2017.

As indicated in the RFP Section 4.4 County's Right to Amend RFP, the County may amend the RFP by written addendum. This Addendum No. 1 contains the answers to the Proposers questions submitted as set forth in Section 7.4 of the RFP, and to be discussed at the Proposers' Conference on June 7, 2017. The final questions and answers regarding RFP will be released on June 22, 2017, as set forth in RFP Section 7.2.

As a reminder, all Proposals are due by 5:00 PM (PST) on August 17, 2017.

Thank you for your interest in our Request for Proposals for Concession Services at County Operated Will Rogers State Beach.

Very truly yours,

GARY JONES, DIRECTOR

Natasha Robinson, RFP's Administrator

GJ:BL:SP:MR:nr
Enclosure (12 pages)



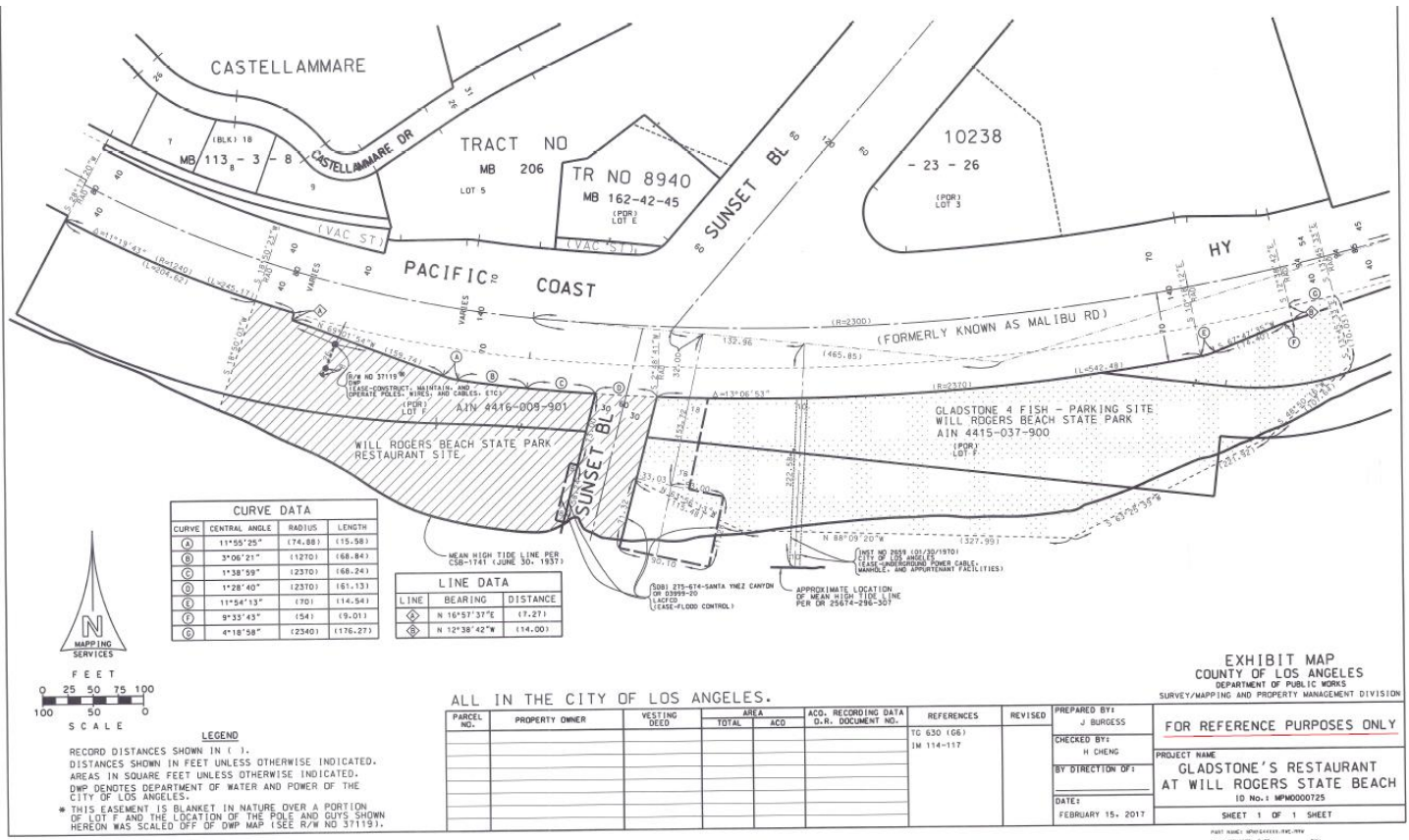
WILL ROGERS STATE BEACH RFP – PROPOSERS’ QUESTIONS

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Will Rogers State Beach RFP current Premises:



The RFP’s Premises: hachured and dotted portions of the APNs 4416-009-901 and 4415-037-900 (for reference only)



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The following are the questions submitted pursuant to Section 7.4 of the RFP – Will Rogers State Beach – Concession 2017 (“RFP”):

QUESTIONS	ANSWERS
1. What governmental body (e.g., County of LA) will issue building permits for the building?	1. The California Coastal Commission (CCC) has jurisdiction over the issuance of a Coastal Development Permit for the project. As regards the building permits, both the City of Los Angeles and County’s Department of Public Works have previously exercised jurisdiction over aspects of the current project. Proposers are encouraged to consult with both agencies. Note that the foregoing information cannot be guaranteed. County makes no representations whatsoever regarding the reliability or accuracy of this information. Proposers are encouraged to complete their own due diligence.
2. What development fees (e.g., art fee, park fee, etc.), if any, will be charged as a condition for the issuance of a building permit or certificate of occupancy?	2. Please check with regulatory agencies.
3. Is there a defined coastal setback for built structures?	3. Please check with regulatory agencies.
4. What is the minimum amount of public/beach parking required, if any?	4. Please check with regulatory agencies.
5. Are there any plans for street improvements on the stretch of PCH adjoining the lot?	5. Unknown to the County.
6. Section 2.1, page 2 of the RFP states that the “County is requesting proposals for a new, up to 50-year concession agreement with a successful and experienced restaurant operator...[for] a new restaurant facility.” However, Section 1.0, page 1	6. Please see RFP Appendix C “Sample Contract” Section 6 USE OF PREMISES for more details.

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<p>of the RFP suggests more flexibility (“This RFP includes, <i>but is not limited</i> to, the following deliverables...”), and the Department of Beaches and Harbors website states that the County “is seeking to negotiate a new, up to 50-year concession agreement with a qualified and experienced proposer to develop, manage and operate a new restaurant <i>or mixed-used facility with a restaurant....</i>” In order to ensure the County has the opportunity to review the best possible responses, please confirm - as stated on the Department of Beaches and Harbors website - that a proposal for a mixed-used facility with a restaurant is acceptable.</p>	
<p>7. With respect to the document titled “Will Rogers RFP – Appendix C - Attachment No. 1”:</p> <ul style="list-style-type: none">a. The document identifies lots APN 4418-009-901/4415-037-900, but the map shows two labeled segments for 4416-009-901 and one for 4415-037-900. Please clarify the legal descriptions.b. Portions of lot 4415-037-900 lie outside the existing paved parking lot and appear to extend onto the beach beyond the seawall. Please clarify what can be done in these areas.c. A portion of the existing restaurant appears to lie outside of the shaded area for lot 4416-009-901. Does the County intend to reshape the concession boundary?	<p>7.</p> <ul style="list-style-type: none">a. Please refer to the legal descriptions within the RFP’s Attachment No. 1. Correct APNs are 4416-009-901 and 4415-037-900. Inadvertently, it was one typo on the map’s name.b. All technical issues concerning the Proposal’s design shall be addressed at the review process with regulatory agencies.c. The outdoor patio is currently a part of the existing restaurant Premises. Besides accommodating the patrons of the existing restaurant, this area is designated to accommodate the beach visitors, who can bring and consume their own food at the Premises without any charge. Questions of the concession boundary shall be referred to the regulatory agencies.

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<p>d. Can the portion of Sunset Boulevard located south of PCH be vacated to allow the connection of lots 4416-009-901 and 4415-037-900?</p> <p>e. The westernmost lot labeled 4416-009-901 currently includes a bridge, parking/drives and various structures used by local agencies and/or the public. Are there any limitations or expectations with regards to these?</p> <p>f. There is an existing driveway/roadway between the two lots labeled 4416-009-901. As these lots appear to be effectively connected, will the County allow them to be surveyed/recorded as part of a contiguous concession?</p>	<p>d. Please check with regulatory agencies.</p> <p>e. The westernmost part of the APN 4416-009-901 is not a part of the existing Premises.</p> <p>f. Please check with regulatory agencies.</p>
<p>8. The RFP does not appear to describe the expected use or objectives for lot 4416-009-901. Are there any limitations on, or expectations for, the use of this lot?</p>	<p>8. The most westerly part of the APN 4416-009-901 is not a part of the existing Premises. Issues of use of the subject lot shall be addressed at the plan review with regulatory agencies.</p>
<p>9. Is the County willing to establish varying concession zones among the lots?</p>	<p>This question needs clarification as to what is meant by "concession zones."</p>
<p>10. Are modifications to the groin walls and seawalls permissible if they are demonstrated to be a long-term advantage for the public and/or concession?</p>	<p>10. Issues concerning the groin walls and seawall shall be addressed during the plan review process with regulatory agencies.</p>
<p>11. Are proposers expected to assume any long-term maintenance responsibilities for the groin walls and seawalls?</p>	<p>11. No.</p>

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12. Will a proposer’s outreach to the public and affected communities be part of the evaluation? If so, where will it fit within the evaluation criteria set forth in Section 8.4 of the RFP?	12. Public outreach is encouraged per RFP Section 7.7.11. See RFP Section 8.4.4 for a reference to the evaluation criteria.
13. Section 7.7.11, page 45 of the RFP asks proposers to describe various marketing and advertising elements of their Operation Plan. Does this apply solely to operations, or does it also contemplate marketing, advertising and outreach prior to contract award?	13. A Proposer shall not contemplate any marketing prior to contract award. However, as a part of the submitted Proposal and for the evaluation purposes, a Proposer shall provide a description of its marketing and advertising campaign for the future operations at the Premises.
14. Section 7.7.11, page 45 of the RFP states that “Favorable consideration will be given to proposals that identify focused efforts to increase visitors from California’s multi-ethnic populations.” Does this include outreach and research conducted during the RFP phase to help identify the best features and concepts to appeal to California’s multi-ethnic populations?	14. This includes all activities that satisfy the requirements of RFP Section 7.7.11.
15. What form/certification should we complete to respond to <u>RFP Section 7.7.1.1(B), page 34 - Proposer Certification</u> ?	15. Clarification of RFP Section 7.7.1.1.B.: the Proposer shall complete, sign, and date Exhibit 1 as set forth in Appendix D (Required Forms).
16. Please provide the form that will be completed to respond to <u>Appendix D – Required Forms, Exhibit 23 (last page) Pest Control Activities.</u>	16. There is no an actual form: Exhibit 23 of Appendix D-Required Forms contains the guidelines, and an actual form to be created by a Proposer reflecting such guidelines.
17. Does the Labor Peace Agreement requirement apply to both construction/renovation and operations?	17. A labor peace agreement is required for the construction and preferred for the operations.
18. Is Gladstone’s currently operating with union labor? If so please provide a	18. Unknown to the County.

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copy of the existing union labor agreement.	
19. Will construction labor require either prevailing wage labor rates or a construction project labor agreement?	19. A construction project labor agreement will be required.
20. Do employees have to be union labors who work in new restaurant or if pay living wage ok?	20. The County prefers a labor peace agreement for the future restaurant.
21. What is the current local union that a Proposer will be required to execute a labor peace agreement with? Unite HERE Local 11?	21. A labor peace agreement is required but not a specific labor union. The proposer will procure a labor peace agreement with a labor union at its own determination.
22. Is the city have any interest in putting any money into this new restaurant transaction?	22. Unknown to the County.
23. Does the County have sole approval authority or is there a second approval process that requires California Coastal Commission approval? If Coastal Commission approval is required, who submits the application (County or Proposer)? Also when that application would be submitted?	23. County does not have sole approval authority. Coastal Commission approval is required. The Proposer shall submit a proper application after Contract award in compliance with the Contract's provisions.
24. Who will bear the cost of infrastructure improvements in order to comply with today's building code requirements relating to sewer, water, power, gas, etc.?	24. The Proposer will be responsible for all co-requirement onsite improvements.
25. If a Proposer's percentage rent setup less than stated in <u>1. RFP Introduction – Section 2.20 Example Contract Agreement: Company Terms and County Terms and Conditions</u> , will the submitted Proposal still be evaluated and scored?	25. The submitted Proposal still will be evaluated, considering the totality of the Proposal.

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26. Why a Proposer is requested to contribute into Capital Improvement Fund and Furniture, Fixtures& Equipment Fund (FF&E)?	26. Please see RFP Appendix C “Sample Contract” Sections 5.13.2 and 5.13.3.
27. What is the minimum required balance and required starting balance of the Capital Improvement Fund referenced in section 2.2?	27. Please see RFP Appendix C “Sample Contract” Section 5.13.2., second paragraph and RFP Section 2.2, page 5.
28. What is the minimum required balance and required starting balance of the Furniture, Fixtures, and Equipment Fund referenced in section 2.2?	28. Please see RFP Appendix C “Sample Contract” Section 5.13.3., third paragraph, page 75, and the RFP Introduction Section 2.2, page 5.
29. Can a selected Proposer open the existing restaurant during the new project’s entitlement period?	29. Subject to further negotiation.
30. Is the Restaurant’s current Liquor License will be transferred to a successful Proposer, or it will be necessary to obtain a new Liquor License? Is the current Liquor License type No. 47?	30. The liquor license maybe transferrable but subject to negotiation.
31. a. Is 2 AM a closing time for the existing restaurant? b. What is a closing time for a future restaurant per RFP? c. What are the current restrictions on operating hours for the location?	31. a. and c.: please contact Gladstone’s property manager, Melea Morris, (310) 454-3474. b. Per RFP Section 2.2.2, second paragraph, and RFP Appendix A, second paragraph: “The minimum daily hours of operation shall be further determined depending on the type of the Final Authorized Activities.”
32. Can you provide any previously submitted requests from current operator to extend hours of operation?	32. No such request was received.

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33. Is live music and amplified music provided by a DJ permitted for the property?	33. Please check with regulatory agencies.
34. What are the current percentage rent ratios with the existing operator?	34. RFP Appendix A Section 1.1: <u>Percentage Rent setups</u> (see <i>Sample Contract Section 4.2.2</i>): 10% Restaurant 12% Bar 12% Parking Fees 12% Retail Sales 25% Service Enterprise-Coin Operating Vending Machines 12% Miscellaneous
35. What are the percentage rents of similar projects that the County is involved with?	35. The subject property is unique in its location.
36. Does the Rent Credit referenced in section 2.2 apply to Percentage Rent as well as Annual Minimum Rent?	36. The Rent Credit described in RFP Introduction Section 2.2 has been revised as set forth in Section 4.2.2.3 of the RFP Appendix C “Sample Contract”. It is subject to further negotiations.
37. Is any part of the property listed on the national register of historical places?	37. Not to County’s knowledge.
38. Regarding section 4.7, the County’s Right to Erect Public Monument: a. Is there a size restriction of the monument? b. Who will bear the cost of the monument – the County or the Concessionaire? If it’s a combination thereof, what is the split between the County and the Concessionaire? c. Is there a limit on the cost associated with the monument? d. How far in advance will the County notify the Concessionaire of the County’s intent to erect a monument?	38. All issues regarding RFP Section 4.7 are subject to further negotiations.

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e. Where on the premises can and/or will the monument be erected?	
39. Please provide five years of property tax history. What is the anticipated California proposition 13 reassessment following the execution of this lease?	39. In regard to all questions about the Gladstone’ property history and California Proposition 13, please contact Los Angeles County Office of the Assessor: http://assessor.lacounty.gov/bwl-faq/
40. Please describe the maximum buildable area for the property without triggering a need for variances.	40. Please consult with regulatory agencies.
41. Can the existing structure be demolished and replaced or must the structure stay intact?	41. It is County’s understanding that the existing structure can be demolished. For details, please consult with CCC.
42. Is the preference of the County to tear the entire building down and re-erect a new structure? Or to utilize the existing shoring and building and remodel the current location?	42. A new structure is preferred.
43. a. What is the minimum parking ratio requirement for the site? b. Can/will concessions be made if the proposal incorporates a significant amount of ride-sharing accommodations for patrons?	43. a. Please consult with CCC. b. All terms are subject to further negotiation.
44. What part of the property needs to be accessible to the public?	44. All areas except for those areas restricted to certain restaurant personnel shall be accessible to the public.
45. In appendix A. Section 7 (special requirements) it states that “the general public is allowed to bring food to the Premises for consumption at the outside patio area adjacent to the restaurant building”:	45.

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<p>a. can you please define this specific area/space on the current plans?</p> <p>b. If the building is fully demolished/renovated does this requirement still hold and will this space just need to be redefined?</p>	<p>a. There are no current plans. The subject area is the current outside patio area.</p> <p>b. The requirement will stay, and the dedicated space will need to be redefined and approved by County.</p>
<p>46. Is private dining on the sand permissible?</p>	<p>46. Temporary permit is permissible, subject to obtaining approval in each instance From LACO Fire Department Life Guards and the LACO Department of Beaches and Harbors (DBH) Permit Section.</p>
<p>47. Can the Premises be used as a live music and outdoor/indoor restaurant/lounge with pool/ beach access that will target tourists from all over the world but would not be a family friendly restaurant?</p>	<p>47. For all design issues please consult with CCC and other regulatory Agencies. No discrimination is permissible in business operations. A family-friendly restaurant is preferred.</p>
<p>48. Will a foreign based restaurant company be given the same consideration as an American based restaurant company when submitting a Proposal?</p>	<p>48. Yes.</p>
<p>49. Please clarify on how the “Rent Credit” amount is calculated. RFP states “Rent Credit for concessionaire’s construction cost. The rent credit <u>may be</u> applied to up to 50% of rent due for a period up to 15 years”. Does this mean that until 100% of the capital for construction cost is paid off/recouped then the rent can be reduced by 50% for first 15 years until construction?</p>	<p>49. Please see Answer No. 36.</p>
<p>50. On appendix C attachment 1 the parcel boundaries cover three (3) separate areas. Regarding these areas:</p>	<p>50.</p>

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<p>a. The County Conditional Use Permit and Liquor License already assigned and transferrable for this property?</p> <p>b. Will a Proposer be required to refurbish the bathrooms and lifeguard station on the furthest northern parcel?</p> <p>c. Are we required to maintain the bathrooms and lifeguard station on the furthest northern parcel?</p> <p>d. The center parcel boundaries appear to cover a portion of the beach and sand. Does this allow for restaurant controlled and run on beach access for food and beverage service including liquor?</p> <p>e. On the northern parcel parking lot, does this need to be maintained as a parking lot or can the operator convert the northern parking lot into other revenue producing uses?</p>	<p>a. There is no current CUP. For Liquor License, please see Answer No. 30.</p> <p>b. No.</p> <p>c. No.</p> <p>d. Please see Answer No. 46.</p> <p>e. Needs clarification of the location.</p>
51. Are the parcels attached into traditional city or county plumbing and sewage lines?	51. Yes.
52. Are the parcels connected to independent septic takes maintained by the property operator?	52. No septic tanks to County’s knowledge.
53. Are their height restrictions on how tall any new structure can be erected to stand?	53. Yes, please confirm with regulatory agencies.
54. Are there any previously submitted construction plans for this same site that have been reviewed and/or approved by county?	54. Not to the County’s knowledge.

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55. Can you provide any local noise ordinance information?	55. Please consult with local regulatory authorities.
56. Can any adjacent to the APNs 4416-009-901 and 4415-037-900 Will Rogers State Beach land be included as a part of the RFP project, upon obtaining an approval from the State of California?	56. Not within the current scope of the RFP.
57. Why a Proposer has to pay rent while building the new restaurant per RFP? Is that negotiable?	57. All terms are subject to further negotiation.
58. Will the Gladstone’s trademarks will be transferred to the selected Proposer?	58. County may transfer the existing trademarks subject to further negotiation.